

to corporations and wealthy individuals? Or are we going to give every single American a tax break and reduce the deficit, keep the interest rates down, keep the economy growing, allow Americans the opportunity to buy a new home? That is the tough decision we should make. Let us not pander for reelection in 1996. Let us make the difficult choice for our children and reduce spending and put it toward the deficit.

WORKING FAMILIES DESERVE THIS TAX RELIEF

(Mr. JONES asked and was given permission to address the House for 1 minute.)

Mr. JONES. Mr. Speaker, Americans are working harder today than ever. However, they are receiving lower wages and paying higher taxes. Throughout the country, both parents are having to work just to keep their heads above water.

In 1948, the average American family with children paid only 3 percent of its income to the Federal Government in income and payroll taxes. Today, the same family pays 24.5 percent to the Federal Government.

Working families deserve relief from this growing burden. The Republican tax relief proposal will do just that. It will provide 35 million families with the \$500 per child tax credit, lowering the tax burden for 89 percent of the American families.

The middle-class squeeze is taking its toll on families in endless struggle to make ends meet and taking its toll on the fabric of our society as well. More than ever before, American families deserve tax relief.

THE TAX CUT BENEFITS WILL GO TOWARD THE WEALTHIEST IN AMERICA

(Mr. VOLKMER asked and was given permission to address the House for 1 minute.)

Mr. VOLKMER. Mr. Speaker, this is the 92d day of our imperial speakership. What has happened in that 92 days? Well, they voted, the majority Republicans voted to take heating assistance away from my poor, they voted to take school lunches and breakfasts out of the mouths of the children in my district. They voted to take food stamps from the working poor and children in my district. They voted to take the training and education away from women on welfare who want to be off of welfare. Now they are talking about taking college loans away from my middle-income families so they cannot go to colleges or universities.

What are they going to do with this? They are going to give it to the wealthy, \$200,000 income parents who have children. Those are the children that they are worried about they want to take care of. They want to give it away in capital gains cuts for big in-

vestors who own shopping centers, who own stocks and bonds on Wall Street. That is where they want to give it.

Last, who do they really want to give it to? How about GE, AT&T, IBM, and all the big corporations, because they are no longer, under their tax bill, going to have to pay 1 penny in taxes. That is who the money goes to.

H.R. 1327 ACTUALLY RAISES TAXES ON OVER 2 MILLION AMERICANS

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I have concerns about H.R. 1327 because I believe that genuine deficit reduction rather than tax cuts should be our No. 1 priority. But I really want to point out to this body that while purporting to decrease taxes, this bill actually raises taxes on over 2 million Americans.

Mr. Speaker, title IV of this bill would raise Federal employee retirement contributions by 2.5 percent. It also would change the retirement formula to reflect the highest 5 years of salary instead of the current highest 3 years of salary. This change in retirement formula would affect postal employees as well as civil service workers.

Why are we once again taxing a work force that has already contributed to deficit reduction for more than a decade? The tax bill that is before us contains \$91 billion more than is needed to fund the tax cuts. The \$12 billion from tax increases on Federal employees is not needed.

Both the Congressional Research Service [CRS] and the General Accounting Office [GAO] agree that the "Federal retirement system's unfunded liability is not a problem that needs to be fixed." Both CRS and GAO conclude that "there will always be sufficient assets in the retirement fund to cover benefit payments to all current and future retirees."

The provisions in title IV of H.R. 1237 were never approved by the Government Reform and Oversight Committee. I really do not understand why we are bypassing the normal and fair procedures of the House by including these provisions in the tax reduction bill.

I want to point out that an average Government employee who earns \$30,000 per year will have to pay an additional \$750 per year. This is a significant, hefty sum to pay. It is unfair. We should keep our contract with our Federal work force, those people who make America run.

REPUBLICAN MAJORITY HAS A NEW CONTRACT OUT ON COLLEGE STUDENTS

(Mr. PASTOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASTOR. Mr. Speaker, I think it has become clear to the American people that the Contract With America is nothing more than a contract on the middle and working class of America. And now, the Republican majority has a new contract out on the college students of this country.

We all know, Mr. Speaker, that the cost of attending college is rising. And yet my Republican colleagues have suggested giving the wealthy a tax cut by reducing funding for Federal financial aid programs. On the Republican chopping block is the interest-deferred Stafford Loan Program which if eliminated would cost the average student \$4,344 in added loan repayments.

The work study programs, which provide Federal dollars to colleges to hire low- and middle-income students for campus jobs, would also be eliminated if Republicans have their way. Other GOP targets include the Supplemental Education Opportunity Grants and the Perkins Loans, which go to the neediest students. These cuts will do nothing for this Nation other than assure that college students, especially the neediest students, will be forced out of school altogether.

To put it simply, Mr. Speaker, anything that would help the children of low-income and working American families to get ahead has been or will be eliminated if the Republican Contract on the average American becomes law.

TAX DAY IS FAST APPROACHING

(Mr. FUNDERBURK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUNDERBURK. Mr. Speaker, tax day is fast approaching. As a result of Bill Clinton's tax hike the people in my district have to work from January 1 to May 5 just to pay Uncle Sam's taxes and then they work until July to pay off State and local government. Mr. Speaker, I resent the liberal Democrats claiming that my constituents' hard-earned money is the property of Government that they must continue to pay for those who won't work. Working people have the right to keep their own money.

I come from a rural district, most of my constituents work on small farms and in small factories. They create the jobs, fight the wars, and struggle everyday to keep the country going. On their behalf, I support tax cuts—even more cuts than are in this bill—and I reject the politics of class warfare peddled by the minority. It is obscene for the Democrats and their Hollywood and media friends to ridicule the people in my district who want nothing more than to take back control of their lives and communities from the welfare state.

Mr. Speaker, let us cut taxes now and let the Democrats explain why they stood in the people's way.